

## Veterans Small Business Verification Act (P.L. 111-275, sec. 104)

### Fact Sheet

#### **VA OSDBU**

- The mission of the Office of Small and Disadvantaged Business Utilization (OSDBU) at the Department of Veterans Affairs (VA) is to advocate for the maximum practicable participation of all small businesses in prime and subcontract opportunities; and to encourage formation, expansion and utilization of all Veteran-owned businesses.
- Currently, Mr. Ford Heard is the Interim Executive Director of OSDBU. Mr. Heard is detailed from his duties as the Department of Veterans Affairs (VA)'s Acting Associate Deputy Assistant Secretary for Procurement Policy, Systems and Oversight where he was responsible for developing, implementing, and managing VA acquisition policy. Mr. Heard is a member of the U.S. Senior Executive Service and has been in federal service for 35 years.
- As part of the Department's effort to better serve Veteran-owned small businesses, VA has expanded OSDBU's support.

#### **The Law**

- President Obama signed the Veterans Benefits Act of 2010 in October of 2010. Section 104 of this law expands VA's requirement to verify business status as owned and operated by Veterans, service-disabled Veterans or eligible surviving spouses. This law is intended to protect our Veterans, their families and survivors who have Veteran-owned small businesses (VOSB).
- VA maintains the Vendor Information Pages (VIP) database of Veteran-owned small businesses and service-disabled Veteran-owned small businesses available on [www.VetBiz.gov](http://www.VetBiz.gov). The database is managed by VA's Center for Veterans Enterprise (CVE). To be included in the VIP database, all small businesses must have owners status verified as a Veteran or service-disabled Veteran. The small business must also be examined for ownership and control by one or more Veterans or service-disabled Veterans. This is the essence of the Veteran-owned Small Business Verification Program (VOSB Verification).
- By applying for the VOSB Verification Program, the Veteran agrees that the CVE, as the Secretary of Veterans Affairs' (Secretary) representative, may access the Veteran's personal information in order to verify the Veteran or service-disabled status.
- If the VA does not have a record of the Veteran or service-disabled Veteran, the business may not appear in the VIP database.

- Effective October 13, 2010, no new small business applicant may appear in the VIP database unless it has been verified as owned and controlled by a Veteran or service-disabled Veteran.
- By December 12, 2010, VA was required to notify all businesses displayed in the Vendor Information Pages (VIP) about new requirements under the law. Specifically, VOSBs are required to provide supporting business documents that establish the Veteran ownership and control of the small business no later than 90 days after they receive notification from VA. Failure to do so by 90 days of receipt of notification will result in removal of the firm from the database.

### **What has taken place?**

- By December 10, 2010, over 13,000 letters and emails were sent to existing VOSBs in the VIP database in order to begin the verification process – statutory notification requirements were met.

### **Who does it affect?**

- All VOSBs currently in the VIP database who have not been verified through the VetBiz VOSB Verification Program.
- All VOSBs in VIP whose Verification is up for renewal within 180 days.

### **Priority Groups**

1. Small businesses in line for a SDVOSB/VOSB set-aside contract by VA;
2. SDVOSB/VOSBs who have contracts or conduct business with VA;
3. Small businesses who have already filed their application for the Verification Program; and
4. Small businesses who have not yet filed their applications prior to receiving the letter.

### **Timeline**

- October 13, 2010 – Veterans Small Business Verification Act signed into law
- December 12, 2010 – All businesses publically displayed in the Vendor Information Pages (VIP) database must be notified that they have 90 days to submit their application package to VA for the Verification Program
- February 1, 2011 – Information on how to submit the application package electronically shall be posted to the [www.VetBiz.gov](http://www.VetBiz.gov) website
- February 1, 2011 – second notification letter to be sent to all businesses in the public side of the VIP database who have not submitted their package yet
- March 14, 2011\* – deadline for businesses to submit the VA Verification Program application package
- March 15, 2011\* – all businesses in public view of the VIP database who have not submitted a complete VA Verification Program application package removed from the database

- July 31, 2011 – target deadline for complete verification of the VIP database extant on October 13, 2010. New applicants would be verified in accordance with the 90 day time period established by 38 CFR Part 74
- August 15-18, 2011 – 7<sup>th</sup> Annual National Veterans Small Business Conference in New Orleans, LA; hosted by VA

### **Small Business Administration (SBA) Role**

- SBA handles all size-determination protests
- SBA handles all small business status protests, including VOSB/SDVOSB, for the entire Federal government, with the exception of VOSB/SDVOSB status protests for VA set-aside actions.

### **VA Mentor-Protégé Program**

- To help service-disabled Veteran-owned small businesses (SDVOSB) and Veteran-owned small businesses (VOSB) develop and become more competitive in the marketplace, VA has selected 20 Mentor-Protégé teams to participate in its new Mentor Protégé Program. “For VA, it’s a natural goal to award government contracts to qualified Veteran-owned small businesses,” said Secretary of Veterans Affairs Eric K. Shinseki. “Not only does it benefit the Veteran entrepreneur, but VA gets the contractor support it needs more quickly and with less risk. All Veterans win by getting better services from VA.”
- The program commits teams to agreements of up to 36 months in which the mentor firms provide business assistance in various skill areas and foster long-term business relationships with their trading partners. The mentor and protégé firms prepare their own agreements.
- VA selected the teams based on its assessment of small businesses owned by Veterans and the ability of potential mentoring firms to offer help with development. Small-business specialists in VA’s Office of Small and Disadvantaged Business Utilization reviewed the agreements formed by the participants. The mentoring firms are not necessarily Veteran-owned. Their mentoring can benefit them if VA evaluates them in bidding for future contracts or subcontracts.
- VA said it plans to select five more pairs of firms next month. VA will select additional mentor-protégé teams next August and approximately every six months thereafter.
- More information on the new program can be found at <http://www.va.gov/OSDBU/veteran/mpp.asp>.

\*These are approximate dates, since the law states 90 days from the receipt of the notice.